

WANNA BE A MILLIONAIRE?

STEP 4: SAVING AT THE GROCERY STORE

ATTENTION SHOPPERS Grocery store mania

According to the National Center for Financial Education, nearly 32 cents out of every dollar spent by American families is for groceries and household items. What's more, the average person stops at the grocery store two times per week.

Despite all this grocery store frequenting and big dollar spending, one quarter of adults say they'll do anything to avoid the grocery store. And, it's a safe bet that the rest of us would do almost anything to avoid it. The reality, however, is that the grocery store is here to stay and will continue to play a pivotal role in our lives. Therefore, learning how to spend wisely in the grocery store is a critical skill for your financial wellness. This handout will give you some pointers on how to safeguard your financial well-being while at the grocery store.

Psyche! **Grocery gimmicks**

Grocery stores have come a long way since the "Mom and Pop" stores of old. You may, in fact, be surprised to learn that grocery stores are now doing research on consumer psychology and implementing aggressive ploys to get us to fill our carts and empty our wallets. Here are some of the latest trends.

Colors galore! In most modern grocery stores, the shopper is forced to enter the produce aisle first. The psychology behind this ploy is that the plethora of colors



will awaken the shopper's senses, peaking their interest and priming them to see and buy more.

Odd man out! This concept is fairly straightforward—grocery stores are designed with an odd number of aisles so when you've finished the last lap, you're forced to walk back down one last aisle to check out. Thus, providing one last opportunity for impulse buys.

Time is money! Grocery store designers realize the more time you spend in a store, the more you'll buy. With this in mind, designers have loaded stores with additional services—dry cleaners, pharmacies, and even banks provide additional incentive for us to frequent their stores and spend more time inside.

Size matters! If you've experienced the joy of shopping with kids, you've probably noticed that they can hardly go half an aisle before eyeing a "must have." The gimmick here is pretty straightforward—grocers put the stuff that kids like where kids can see it. The best advice going is to make a contract with your kids before ever getting to the store.

Card shark! Many stores now offer their "preferred customers" discount cards. Before checking out, these cards are scanned, providing a complete record of customer purchases. This information makes the grocer's client list extremely valuable to marketers and ultimately fills your mailbox with marketing solicitations.

Just the Facts... FYI

Grocery store numbers

- 54% of shoppers buy whatever they want at the grocery store regardless of the price
- 43% of parents avoid grocery shopping with their kids
- 17% of shoppers never pick up more than they can check out in the express lane
- 25% of all adults say they'd do anything to avoid the grocery store
- 70% of shoppers try to balance unhealthy choices with healthy ones
- 33% of shoppers use a credit card to purchase their groceries
- 17% of shoppers prefer buying foods that are already prepared by the grocery's deli
- 19% of shoppers report that they end up buying a lot of junk food at the grocery store

Take Action

Spending wisely in grocery store isles

Alright, we know that the grocery store is here to stay, that if we're not careful we can spend too much time and money inside, and that, among other statistical oddities, the express lane is a big hit. But what can we do to avoid the grocery store woes? Take action! Here's what you can do.

Make a list before you head out to the store. Not only will this save you money, it will cut down on the amount of time you spend in the store. In addition, preparing a list can help you select items that are better for your health.

Don't use your credit card to purchase groceries. We spend enough at the grocery store as it is—we don't need to "up the ante" by paying interest on necessities.

Consider using coupons. Cutting coupons may or may not be for you—some people just don't like to do it. But, if you can find the time and don't mind the activity, coupons can be a great way to save.

Go generic. Household cleaners, for example, are generally far cheaper and rarely require any additional elbow grease to get the job done. So whenever possible, try the generic equivalent.

Go alone. Kids especially make grocery shopping exponentially harder. But, no matter who wants to tag along, chances are you'll spend more with them in tow.

Be careful in the checkout lines. Lots of snacks and unneeded items have been strategically placed here to tempt you and get picked up as a last minute buy. You can certainly do without these selections.

Financial Lifelines

Where to go for more info

Web Sites That Can Help

November 8th, 1990

<http://bushlibrary.tamu.edu/papers/1990/90110804.html>

US Food and Drug Administration

www.fda.gov

US Department of Agriculture

www.usda.gov

Brochures and Pamphlets That Can Help

Grocery Store Grab Bag

Wellness Councils of America

Just for You Brochure Series

To order call 1-402-827-3590 or go to www.welcoa.org

WANNA BE A
MILLIONAIRE?

STEP 4: SAVING AT THE GROCERY STORE

QUESTION 4:

What year did the Nutrition Labeling and Education Act (NLEA) become law, mandating nutrition labeling of almost all processed foods and affecting the entire nutrition label?

- ☐ **A) 1960**
- ☐ **B) 1970**
- ☐ **C) 1980**
- ☐ **D) 1990**

NAME